

FUNDERS CONCERNED ABOUT AIDS

[corporate]

a newsletter about
the corporate
philanthropic response
to HIV/AIDS in the
United States
and globally

up

date

aids is your business

Small and Medium-sized Businesses: A Philanthropic Force in the Fight Against HIV/AIDS

In recent years, many of the world's largest corporations have made significant contributions to the philanthropic effort to combat HIV/AIDS. In its latest resource tracking publication, FCAA reports that more than 18% of the \$394.5 million estimated HIV/AIDS U.S. philanthropic commitments made in 2003 came from corporate foundations (see related story, page 4). The crucial role that these corporations play in the private sector response to HIV/AIDS cannot be understated.

Nevertheless, these impressive numbers overlook a vital force at work in the philanthropic fight against HIV/AIDS: small and medium-sized businesses. By convention, the term 'corporate philanthropy' has usually referred to the charitable contributions of the nation's largest companies (those with more than 500 employees). This view of corporate philanthropy fails to take into account the work of countless smaller companies that are actively engaged in many charitable efforts including fighting the HIV/AIDS epidemic in local communities and those who could be mobilized to do so.

In 2003, small and medium-sized businesses represented 99.7% of all employer firms and employed half of all private sector employees in the United States. According to the Small Business Administration's Office of Advocacy, over the last decade small businesses have generated 60 to 80 percent of net new jobs annually. While the importance of small business' contribution to

the overall well-being of the U.S. economy has long been hailed as fundamental, the efforts of these businesses to contribute their hard-earned resources to the philanthropic fight against a range of societal challenges, such as HIV/AIDS, have largely been ignored.

No specific studies of the small business sector's philanthropic contribution to HIV/AIDS efforts have been undertaken to date. However, recent research on the general charitable contributions of small and medium-sized businesses reveal what small business owners and their clients have known for years: small and medium-sized businesses are an indispensable source of financial and practical support for many community organizations. Small businesses sponsor local sports teams, donate goods and services to charity auctions, and contribute their time, talent and dollars to a wide array of causes.

The efforts of small and medium-sized businesses need not reach the million-dollar mark to make a difference. One of the few academic studies of small business charitable giving indicates that the typical small and medium-sized business philanthropist donates an average of \$4,000 per year to local charities (Thompson, Smith, and Hood, 1993). While a gift of \$4,000 may pale in comparison to the multi-million dollar donations made by many large corporations, it can mean a world of difference for a small community-based AIDS organization and the people it serves.

(continued on page 3)

inside

- 4 corporate grantmakers
- 5 funding update
- 7 corporate profile
- 8 resource section

**FUNDERS
CONCERNED
ABOUT
AIDS**

**AIDS is Your Business
Corporate Update**

May 2005

The *Update* is published by Funders Concerned About AIDS (FCAA), a philanthropic affinity group formed in 1987.

FCAA mobilizes philanthropic leadership and resources, domestically and internationally, to eradicate the HIV/AIDS pandemic and to address its social and economic consequences.

With the support of the Business Responds to AIDS program of the Centers for Disease Control and Prevention and our network of corporate grantmakers, FCAA encourages—and offers a variety of programs to support—enhanced and strategic corporate philanthropy on HIV/AIDS domestically and globally.

executive director

Paul A. Di Donato
paul@fcaaid.org

program manager

Victor Tolentino
victor@fcaaid.org

administrative manager

Tad Barnes
tad@fcaaid.org

**Funders Concerned
About AIDS**

50 East 42nd Street,
19th Floor
New York, NY 10017

212.573.5533
212.687.2402 fax
www.fcaaid.org

[small and medium-sized business giving statistics]

Small businesses are giving back . . .

Although it has been proposed that small businesses lack the necessary resources to address social issues, small businesses across the nation are giving back to their communities and making an impact where it matters most: at home.

- **91%** of small businesses in the U.S. support charitable organizations in some way
- Of those, **85%** donate money and **63%** donate some type of product or service
- The typical U.S. small business gives anywhere from \$100 to \$5,000 per year to charitable organizations, and over **15%** of small businesses give more than \$5,000 per year

Doing good is good for business . . .

Regardless of a company's size, doing good in the community is good for business.

- **82%** of all business owners believe that "good corporate citizenship helps the bottom line"
- **59%** say that being a good corporate citizen improves the image and reputation of their business
- **87%** of Americans have a more positive image of businesses that support a cause they care about

Americans want their employers to give to the community . . .

The vast majority of Americans prefer to work for companies involved in charitable causes.

- **92%** of Americans think that it is important for companies to make charitable contributions or donate products/and or services to nonprofit organizations in the community.
- **50%** of Americans expect their companies to make charitable contributions or donate products and services to community-based nonprofits.
- **87%** of Americans believe it is important for companies to offer volunteer opportunities to its employees.

Sources :

BBB Wise Giving Alliance Small Business Giving Study, conducted by Princeton Research Associates, November 2001 (available at <http://www.give.org/news/SBSurvey.pdf>)

Most People Prefer Charitable Employers—Corporate Philanthropy Report. LPR Publications, November 2004.

The State of Corporate Citizenship in the U.S.—A View from the Inside, The Center for Corporate Citizenship at Boston College and the United States Chamber of Commerce Center for Corporate Citizenship, 2004 (available at <http://www.bc.edu/corporatecitizenship>).

And monetary contributions represent only one facet of small business giving. Nearly two-thirds (63%) of small businesses in the United States contribute their goods and services to charitable organizations free of charge. In-kind contributions are a sizeable force within the universe of small and medium-sized business giving. For example, AIDS Walks from Louisville to Los Angeles rely on the in-kind donations of local businesses to keep their efforts going. Whether it be donating graphic design services for a web site or contributing food and beverages for fundraising events, the importance of in-kind donations is paramount.

Admittedly, HIV/AIDS is not the top priority of all small business givers. According to a 2004 survey by the Center for Corporate Citizenship at Boston College and the U.S. Chamber of Commerce Center for Corporate Citizenship, of the social issues that companies (of all sizes) care about and currently invest in, health issues ranked fifth, with 26% of companies surveyed investing in health care initiatives. However, when asked which issues businesses *should* be playing a role in, 51% of businesses indicated health care (second only after education), and 20% of businesses specifically indicated AIDS.

The convergence of respondents' growing concerns about health care and AIDS and their commitment to giving back to local efforts in their community indicates to FCAA that there is indeed an opportunity to reach out to and educate more small and medium-sized businesses about HIV/AIDS and engage them in the philanthropic response to the epidemic. This is especially true for minority-owned businesses. In the U.S., African Americans and Latinos have been disproportionately impacted by HIV/AIDS since the beginning of the epidemic. Encouraging minority business leaders to get involved in HIV/AIDS philanthropy has the potential to dramatically bolster business support for efforts aimed at stemming the epidemic within these communities.

At a time when more non-profits are facing increased competition for fewer private and public dollars, the contributions of small businesses can and do have a significant and immediate impact in the communities that are being hard hit by the HIV/AIDS epidemic. Giving back locally out of genuine concern for the development and preservation of their community is a particular strength of small and

medium-sized businesses. The impact of several thousand dollars per year and the provision of other forms of in-kind or volunteer support may seem insignificant in the face of the sheer size of the HIV/AIDS epidemic. However, when viewed through the lens of the aggregate efforts of small business givers in communities across the United States, the power of small business HIV/AIDS philanthropy emerges in relief. Through their contributions to local HIV/AIDS efforts, small and medium-sized business owners should be viewed by policial leaders, public health officials, local HIV/AIDS organizations and employees and customers as belonging in the ranks of larger corporate funders in exercising strong leadership in the philanthropic response to HIV/AIDS.

Leadership Award

The CDC's Business Responds to AIDS/Labor Responds to AIDS (BRTA/LRTA) program honors the efforts of small business to participate in the philanthropic fight against HIV/AIDS with its Leadership Award. Recent small business winner, Sailor's Valentine Gallery, is an art gallery located in Nantucket, Massachusetts. According to the CDC:

After reading an article in the local newspaper about the impact of AIDS on Nantucket and the Nantucket AIDS Network's (NAN) efforts to raise funds to provide HIV/AIDS services, gallery owner Carolyn Walsh offered to make NAN the beneficiary of her gallery's silent art auction, held annually to benefit a local charitable organization. Her efforts helped raise more than a million dollars for HIV/AIDS programs and services on Nantucket. Funds raised have enabled the Nantucket AIDS Network to provide affordable housing for people with AIDS, offer transportation to the mainland for specialist medical care, hire a full-time executive director, and centralize all of its services at one site.

For more information about small and medium-sized business giving to HIV/AIDS, contact:

FCAA
50 East 42nd Street,
19th Floor
New York, NY 10017

T 212.573.5533
F 212.687.2402

www.fcaaid.org

or send an email to:

info@fcaaid.org

References

BBB Wise Giving Alliance Small Business Giving Survey, Final Report, Princeton Survey Research Associates, Inc., November 2001, available online at <http://www.give.org/news/SBSurvey.pdf>

CDC BRTA/LRTA Website, HIV/AIDS Leadership Awards, Small Business, available online at <http://hivatwork.org/main/leadership-awards.htm>

Small Business by the Numbers, Small Business Administration, Office of Advocacy, June 2004, available online at <http://www.sba.gov/advo/stats/sbfaq.pdf>

The State of Corporate Citizenship in the U.S., A View from the Inside, The Center for Corporate Citizenship at Boston College, United States Chamber of Commerce Center for Corporate Citizenship, 2004, available online at <http://www.bc.edu/corporatecitizenship>

Thompson, Judith Kenner, Howard L. Smith, and Jacqueline N. Hood, "Charitable Contributions by Small Business," *Journal of Small Business Management*, Vol. 31, No. 3, July 1993, p. 35-51.

U.S. Corporate HIV/AIDS Grantmakers

TOP U.S. CORPORATE HIV/AIDS GRANTMAKERS IN 2003*

| | TOTAL AMOUNT COMMITTED IN 2003 | TOTAL NUMBER OF GRANTS |
|---|-----------------------------------|---------------------------|
| Bristol-Myers Squibb Foundation, NY | 18,580,342 | 80 |
| Abbott Laboratories Fund, IL | 18,000,000 | N/A |
| Merck Company Foundation, The, NJ | 10,000,000 | 53 |
| Pfizer Foundation, Inc., The, NY | 8,300,000 | 66 |
| M.A.C. AIDS Fund and M.A.C. Cosmetics, NY | 4,413,794 | 214 |
| Altria Group, Inc., NY | 2,301,450 | 89 |
| Levi Strauss Foundation, CA | 2,120,480 | 85 |
| Johnson & Johnson Contribution Fund, NJ | 2,042,058 | 28 |
| Wells Fargo Foundation, The, CA | 1,502,525 | 90 |
| Prudential Foundation, The, NJ | 650,000 | 14 |
| ExxonMobil Foundation, TX | 598,859 | 3 |
| Federated Department Stores Foundation, OH | 526,250 | 17 |
| Coca-Cola Foundation, GA, and Coca-Cola Africa Foundation | 330,796 | 7 |
| Totals | 69,366,554 | 746 |
| * LISTED IN ORDER OF TOTAL 2003 GRANTMAKING | | |

In 2003, 13 corporate foundations and giving programs contributed more than \$300,000 to HIV/AIDS initiatives. The total estimated support of these 13 entities in 2003 was \$69.4 million (746 grants)—an increase from 2002 corporate giving and representing 18% of the \$394.5 million estimated HIV/AIDS U.S. philanthropy total for 2003.¹

This increase in U.S. corporate grantmaking for HIV/AIDS is remarkable given overall trends in corporate giving by U.S. business from 2002 to 2003. According to a 2004 Foundation Center survey of 95 medium and large sized corporate foundations, corporate foundation grantmaking *decreased* an estimated \$68.3 million, or 2% from 2002 to 2003.² This was the first decline in corporate giving since the Foundation Center began tracking this area of philanthropy in 1987. Similarly, the Chronicle of Philanthropy reported that cash donations by major corporations actually dropped by a median of 11% from 2002 to 2003.³

Increased support by corporations for HIV/AIDS programs comes at the right time. According to a recent article in the Chronicle of Philanthropy, AIDS charities across the country are faced with trimmer budgets due in part to the shifting of funds by government and private donors to help address the AIDS crisis abroad.⁴ These organizations are now seeking alternative ways—including raising money from corporate donors to fund their programs and to reduce their dependence of government grants.

Beyond direct financial support, The World Economic Forum and others have also noted that corporate foundations, giving programs and the business side of corporations continued to contribute to HIV/AIDS programs and organizations in a myriad of ways, such as in-kind donations of expertise, staff and materials, cause-related marketing efforts and workplace programs.⁵

¹ Funders Concerned About AIDS. *U.S. Philanthropic Commitments for HIV/AIDS*. March 2005.

² Foundation Center. *Foundation Growth and Giving Estimates*. 2003 Preview. April 2004.

³ Chronicle of Philanthropy. *Big Business Doing More for Charity*. August 5, 2004.

⁴ Wellner AS. *AIDS on the Home Front*. Chronicle of Philanthropy. December 9, 2004.

⁵ World Economic Forum. *Business and HIV/AIDS: Commitment and Action? A Global Review of the Business Response to HIV/AIDS 2004–2005*. January 2005.

funding | update

New Partnership to Address Unique and Growing Needs of Women and Families Affected by HIV/AIDS

JOHNSON & JOHNSON AND NATIONAL AIDS FUND GRANT AWARDS TO U.S. GROUPS

In response to the alarming increase in rates of HIV/AIDS infection among women in the United States, Johnson & Johnson has partnered with the National AIDS Fund on a new grant program to address the unique needs of women and families whose lives are altered by the physical, emotional, financial and social tolls of HIV/AIDS.

Through this initiative, Johnson & Johnson is contributing more than \$1 million over the next two years to eight community-based organizations—a combination of individual agencies that provide innovative services for specific populations of women and children; and multiple agencies pursuing collaborative, creative approaches to HIV prevention, care and supportive services. These organizations are in rural and urban communities where the need for assistance is growing and public health resources are limited.

The program, called **GENERATIONS: Strengthening Women and Families Affected by HIV/AIDS**, is one of the first major public-private partnership that directly addresses HIV prevention and care for women and families affected by HIV/AIDS in the United States. It will combine financial investments in community-based agencies around the country with

technical assistance, thereby encouraging collaborations that strengthen prevention and care programs.

The grants will make possible a broad range of programs, such as:

- Training women with HIV to be effective advocates for resources directed to women's services, particularly HIV funding;
- Providing HIV/AIDS prevention education for African American women and families through faith-based organizations, and connecting individuals to clinical and social services in the local community; and
- Evaluating a model program with "promotoras," or outreach workers, who will train women of Mexican descent to be peer educators and promoters of health services for recent immigrants, migrants and transborder women at risk or affected by HIV.

"Even while there is progress in the HIV/AIDS prevention and treatment arenas, the statistics related to women are staggering and must be addressed," said Alfred T. Mays, Vice President, Corporate Contributions and Community Relations at Johnson & Johnson. "With our longstanding commitment to children, families and communities, we have a responsibility to listen to and learn from those living with this illness—and to take action that

If your business has
awarded HIV/AIDS-
related grants or
in-kind donations and
would like to provide
information to be
considered for
publication in future
FCAA materials and
on our website,
please send such
information to:
FCAA
50 East 42nd Street,
19th Floor,
New York, NY 10017
or send via email to:
info@fcaaid.org.

will enable and empower women to care for themselves and their families.”

According to United Nations statistics, women make up nearly half of HIV/AIDS-infected adults worldwide, with a similar pattern developing domestically. In the United States, where the epidemic is sometimes mistakenly thought to be “under control” due to the general availability of antiretroviral therapy, women with AIDS make up an increasing proportion of those infected; rates are especially alarming among women in the African American and Hispanic communities. In 1992, women accounted for an estimated 14 percent of adults and adolescents living with AIDS. By the end of 2003, this percentage had grown to 22 percent. Women also accounted for 27 percent of the estimated 32,048 diagnoses of HIV infection in 2003. Heterosexual contact was the source of 80 percent of these HIV infections.¹

According to Mays, the partnership with the National AIDS Fund reflects the company’s philosophy on corporate contributions as a whole; the company identifies pressing issues in which it can make a difference and partners with leading organizations—often community-based ones—to develop solutions.

The *Generations* program is a unique partnership for Johnson & Johnson, because it represents a philanthropic program that the company also helped create.

Johnson & Johnson

www.jnj.com/community/aids/index.htm

Anu Gupta, M.D.
Director, Corporate Contributions
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, NJ 08933
732-524-3081

National AIDS Fund

www.aidsfund.org

Kandy Ferree
President and CEO
National AIDS Fund
1030 15th Street, NW
Suite 860
Washington, DC 20005
202-408-4848
1-888-234-AIDS

GENERATIONS: Strengthening Women and Families Affected by HIV/AIDS Grantees

Single Agency Grantees/projects

Northern California Grantmakers’ AIDS Partnership California (Northern California)
CompassPoint Nonprofit Services
Washington AIDS Partnership (Washington, DC) The Women’s Collective
Border AIDS Partnership (El Paso, Texas) Programa Compañeros AC

Collaborative Grantees/projects

Maine Community AIDS Partnership (MCAP) Addressing HIV Among American Indian/Native American Women in Maine
Dade Community Foundation Community AIDS Partnership (Dade County/Miami, Florida)
Miami Peer Family Educators Project
AIDS Foundation of Chicago. South Side Women’s Collaborative
Massachusetts Community AIDS Partnership (Boston, MA) Women’s Action
Iowa Community AIDS Partnership — (Cedar Rapids, Iowa) Women’s Initiative for Empowerment and Support

¹ Sources: UNAIDS; Centers for Disease Control; Kaiser Family Foundation. Fact Sheet: Women and HIV/AIDS in the United States. December 2004: www.kff.org/hiv/aids/6092-02.cfm

corporate | profile

Broadway Cares/Equity Fights AIDS: The Theatre Industry Response to HIV/AIDS

Broadway Cares/Equity Fights AIDS (BC/EFA) is the ongoing, committed response of the American theatre community to the HIV/AIDS crisis. Founded in 1987, it has set the standard for an entire industry's response to HIV/AIDS. *Amazingly, BC/EFA has just marked a major milestone, as its cumulative HIV/AIDS fundraising total reached \$100 million.*

As FCAA's resource tracking research (see article on page 4) shows, BC/EFA ranks 11th among top U.S.-based HIV/AIDS grantmakers for 2003. FCAA's research further indicates that, among top U.S. HIV/AIDS funders with a primarily domestic focus, BC/EFA is *the largest* HIV/AIDS grantmaker in the United States.

BC/EFA raises all of its grant dollars, as there is no endowment for the organization. Through a variety of events, sponsorships and other means, this powerhouse fundraising and grantmaking entity manages to top its own record almost every year. And, BC/EFA also demonstrates the importance and value of volunteer efforts, as the companies of dozens of Broadway shows as well as hundreds of other theatre professionals donate their time every year to these efforts.

Since 1988, BC/EFA has awarded over \$33 million to The Actor's Fund of America—its largest single recipient of grant dollars. These grants support the work of the Fund's:

- AIDS Initiative
- The Phyllis Newman Women's Health Initiative
- The Al Hirschfeld Free Health Clinic
- The Actor's Work Program
- The Aurora Residence (NYC)
- The Palm View Residence (L.A.)

BC/EFA also has two other channels through which it makes its grants

- The National HIV/AIDS Grants Program. Through this program, hundreds of organizations across the country receive grants from BC/EFA every year for every imaginable type of program from case management,

food services and vocational services to harm reduction, quality of life services and housing programs.

- Within the National HIV/AIDS Grants Program, there is a special initiative called One Time Emergency Grants. Rather than supporting ongoing programs, these special BC/EFA grants are earmarked to help HIV/AIDS organizations meet an immediate or emergency need above and beyond normal expenses. Common grants in this area are: transportation-related equipment, repairs to facilities and kitchen equipment for HIV/AIDS food programs.
- Program for Nationally Recognized AIDS Organizations. Through this program a smaller number of organizations, national in scope, receive critical dollars for innovative programs and initiatives of national significance, such as public policy work.

Much of BC/EFA's success comes from the incredible corporate support offered to the organization over its long history. Through direct grants and sponsorship of its events from businesses as well as corporate-specific events, BC/EFA has not only raised considerable revenue to re-grant to HIV/AIDS programs, but also helped keep HIV/AIDS as an issue on the corporate radar.

BC/EFA leverages its unique role to connect major corporate brands with one of the nation's foremost creative industries—the American theatre. And, in doing so, BC/EFA is able in return to ensure that this corporate support reaches into every community in the country. Major corporate relationships with BC/EFA in the recent past have included: Continental Airlines, Ford, Hershey's, the League of American Theatres and Producers, M.A.C./M.A.C. AIDS Fund, Macy's East, Inc., Michelob, Newman's Own, the New York Times, Old Navy, Playbill, Target, and the William Morris Agency.

Broadway Cares/ Equity Fights AIDS

www.broadwaycares.org

165 West 46th Street
Suite 1300
New York, NY 10036
(212) 840-0770

Beth Darmstadter*, Chair
The Cleveland Foundation

Richard Jung*, Vice Chair
Gill Foundation

Len McNally*, Treasurer
The New York Community Trust

Vivian L. Beetle*, Secretary
Roche

Joyce Bove, Chair Emeritus
The New York Community Trust

Paul A. Di Donato*
Executive Director

2005 Board of Directors:

John Barnes
Altria Corporate Services, Inc.

Stuart Burden
Levi Strauss Foundation

Michelle Coffey
Tides Foundation

Irene Crowe
The Pettus Crowe Foundation

Rene Deida
The Prudential Foundation

Alicia Dixon
The California Endowment

Desiree Flores
Ms. Foundation for Women

Charisse Grant
Dade Community Foundation

Jennifer Kates*
The Henry J. Kaiser
Family Foundation

Cindy T. Rizzo
The Boston Foundation

Caroline Roan
Pfizer Inc

Sue Simon
Open Society Institute

LaTida Smith
Saint Luke's Foundation
of Cleveland, Ohio

*Executive Committee Member

resource | section

The following resources are listed to:

- assist corporate grantmakers in becoming and staying better informed about HIV/AIDS and its related issues;
- assist corporate grantmakers in expanding the scope and strengthening the impact of their HIV/AIDS philanthropy;
- suggest the many organizations that can provide fertile ground for collaborations with corporations in the fight against the pandemic.

This resource section is intended to be general in nature. Therefore, we encourage corporate funders to search for other materials or organizations, especially at the local level domestically and in specific countries internationally, that may be useful to your philanthropic work. If FCAA can be of any assistance in such a search or in your corporate philanthropy generally, please contact us at (212) 573-5533 or via email at info@fcaaid.org.

HIV/AIDS news and information

AEGIS – Daily Report
www.aegis.com

CDC – HIV/STD/TB Daily Report
www.cdcnpin.org

Global Health Council – Weekly Update
www.globalhealth.org

Kaiser – Daily HIV/AIDS Report
www.kaisernetwork.org/dailyreports/hiv

UNAIDS
www.unaids.org

Philanthropy Support

Council on Foundations
www.cof.org

European Foundation Centre
www.efc.be

European HIV/AIDS Funders Group
www.efc.be/projects/aids

Foundation Center
www.fdncenter.org

GrantCraft
www.grantcraft.org

U.S. International Grantmakers
www.usig.org

Resources for Corporate Philanthropy

Committee to Encourage Corporate Philanthropy
www.corphilanthropy.org

Council on Foundations Corporate Grantmaking Services
www.cof.org

Global Business Coalition on HIV/AIDS
www.businessfightsaids.org

Global Reporting Initiative
www.globalreporting.org

U.S. CDC Business Responds to AIDS / Labor Responds to AIDS
www.brta-lrta.org

U.S. and Global HIV/AIDS Funding and Other Resource Flows

CSIS Task Force on HIV/AIDS
www.csis.org/hivaids

Global Fund to Fight AIDS, Tuberculosis and Malaria
www.theglobalfund.org

Kaiser Family Foundation
www.kff.org/HIVAIDS

National Organizations Responding to AIDS
www.aidsaction.org/legislation/nora.htm

U.S. CDC National Prevention Information Network
www.cdc.gov/hiv/hivinfo/npin.htm

USAID
www.usaid.gov/our_work/global_health

World Bank
www1.worldbank.org/hiv_aids

World Economic Forum
www.weforum.org

World Health Organization
www.who.int/hiv/en